

# DEPARTMENT OF BUDGET AND FINANCE

## Department Summary

### *Mission Statement*

To enhance long-term productivity and efficiency in government operations by providing quality budget and financial services that prudently allocate and effectively manage available resources.

### *Department Goals*

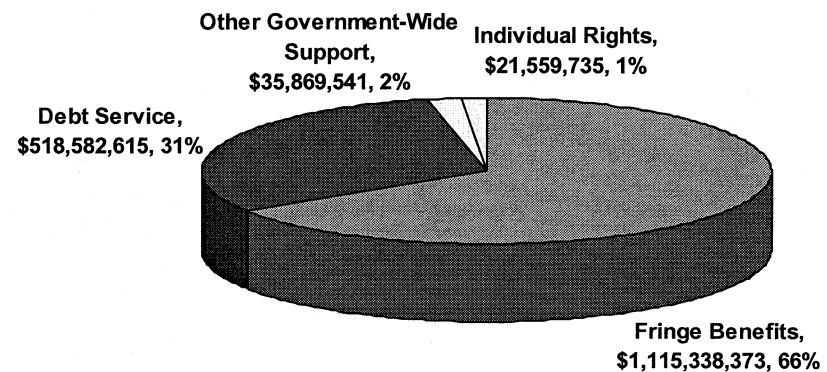
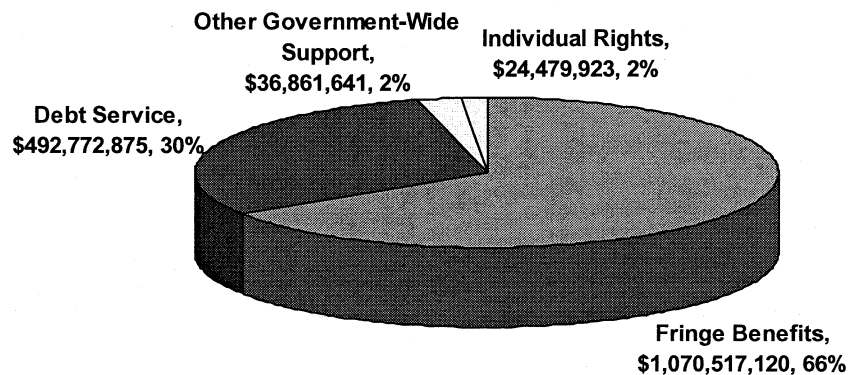
Improve the executive resource allocation process through planning, analysis and recommendation on all phases of program scope and funding; maximize the value, investment, and use of State funds through planning, policy development, timely scheduling of State bond financing and establishment of appropriate cash management controls and procedures; administer retirement and survivor benefits for State and County members and prudently manage the return on investments; administer health and life insurance benefits for eligible active and retired State and County public employees and their dependents by providing quality services and complying with federal and State legal requirements; ensure regulated companies provide adequate and reliable services at just and reasonable rates with a fair opportunity to earn a reasonable rate of return; and to safeguard the rights of indigent individuals in need of assistance in criminal and related cases by providing statutorily entitled and effective legal representation.

### *Significant Measures of Effectiveness*

1. Percentage of recommendations on departments' requests completed by due date
2. Average annual rate of return on State treasury investments
3. Rate of interest paid on State bonds relative to the Bond Buyer Index for bonds of comparable term and credit

<u>FY 2010</u>	<u>FY 2011</u>
90	90
3	3
90	90

**FB 2009-2011 Operating Budget by Major Program Area**  
**FY 2010** **FY 2011**



## **DEPARTMENT OF BUDGET AND FINANCE MAJOR FUNCTIONS**

- Administers the multi-year program and financial plan and executive budget, management improvement, and financial management programs of the state under the general direction of the Governor.
- Coordinates state budget services and prepares the Governor's budget for submission to the legislature; administers the financial affairs of the State.
- Plans, directs and coordinates the State's investments and financing programs.
- Directs and coordinates a statewide retirement benefits program for state and county government employees.
- Administers health and life insurance benefits for eligible state and county active and retired public employees and dependents.
- Provides comprehensive legal and related services to persons who are financially unable to obtain legal and related services.
- Regulates all chartered, franchised, or certificated public service companies operating in the State.

## **MAJOR PROGRAM AREAS**

The Department of Budget and Finance has programs in the following major program areas:

### **Individual Rights**

BUF 151      Office of the Public Defender  
BUF 901      Public Utilities Commission

### **Government-Wide Support**

BUF 101      Departmental Administration and Budget  
Division  
BUF 115      Financial Administration  
BUF 141      Employees Retirement System  
BUF 143      Employer Union Trust Fund  
BUF 915      Debt Service Payments  
BUF 941      Retirement Benefits Payments  
BUF 943      Health Premium Payments

**Department of Budget and Finance**  
(Operating Budget)

		Allocation		
		FY 2009	FY 2010	FY 2011
<b>Funding Sources:</b>	Positions	145.00	141.00	141.00
General Funds	\$	698,632,566	687,624,985	718,238,534
		55.00	62.00	62.00
Special Funds		10,628,380	14,557,057	11,636,869
		31.00	31.00	31.00
Trust Funds		10,686,573	12,431,726	11,439,626
Interdepartmental Transfers		972,786,344	898,699,895	938,717,339
		99.00	99.00	99.00
Other Funds		14,228,189	11,317,896	11,317,896
		330.00	333.00	333.00
<b>Total Requirements</b>		<b>1,706,962,052</b>	<b>1,624,631,559</b>	<b>1,691,350,264</b>

**Major Adjustments in the Executive Budget Request:** (general funds unless noted)

1. Deletes 4.00 permanent and 2.00 temporary position counts and \$1,324,644 in personal services and other current expenses.
2. Debt Service: adds \$21,331,051 in FY 10 and \$28,160,786 in FY 11; reduces the inter-departmental transfer fund by \$57,685,802 in FY 10 and \$43,707,247 in FY 11.
3. Pension Accumulation: deletes \$27,766,190 in FY 10 and \$27,304,834 in FY 11; adds \$2,464,310 in FY 10 and \$3,130,915 in FY 11 in inter-departmental transfer funds for employer contribution requirements.
4. Social Security/Medicare: deletes \$14,794,737 in FY 10 and \$14,567,126 in FY 11; adds \$1,996,777 in FY 10 and \$2,337,915 in FY 11 in inter-departmental transfer funds for employer contribution requirements.
5. Increases the FY 10 and FY 11 trust fund ceiling for unclaimed property by \$1,000,000.
6. Adds \$1,037,000 in FY 10 trust funds for an eligibility audit of the EUTF's health plans.
7. Adds 7.00 permanent special fund position counts and special funds of \$535,893 in FY 10 and \$524,693 in FY 11 for PUC's restructuring to implement Act 177, SLH 2007.
8. Adds \$3,822,108 in FY 10 and \$1,272,071 in FY 11 in special funds for PUC Office relocation to support PUC's restructuring per Act 177, SLH 2007.

**Department of Budget and Finance**  
**(Capital Improvements Budget)**

	<b><u>FY 2010</u></b>	<b><u>FY 2011</u></b>
<b>Funding Sources:</b>		
General Obligation Bonds	75,000,000	75,000,000
<b>Total Requirements</b>	<u>75,000,000</u>	<u>75,000,000</u>

**Highlights of the Executive CIP Budget Request:** (general obligation bonds unless noted)

1. Provides \$30,000,000 in general obligation bond funds in FY 10 and 11 for the Hawaiian Home Lands Trust Fund, Statewide.
2. Provides \$45,000,000 in general obligation bond funds in FY 10 and 11 for the State Educational Facilities Improvement Special Fund, Statewide.